



Flexible Spending Accounts

What is a Flexible Spending Account (FSA)?

An FSA is an account you set up to pre-fund your anticipated, eligible medical services and supplies and dependent care expenses that are normally not covered by your insurance. You can choose from Unreimbursed Medical Expense FSA, Dependent Care FSA, or have one of each.

With either FSA, you benefit from having less **taxable** income in each of your paychecks, which means more **spendable** income to use toward your eligible medical and dependent care expenses.

What is an Unreimbursed Medical FSA?

An Unreimbursed Medical FSA is used to pay for eligible medical expenses incurred by you and your eligible dependents[†] which aren't covered by your insurance or other plan. These funds are set aside from your salary before income and FICA taxes are deducted, allowing you to pay your eligible expenses tax-free. It can be used for expenses such as copayments, deductibles, and qualified dental, vision, prescription and medical costs. The annual maximum contribution for an Unreimbursed Medical FSA is \$2,500.

Your Adult Child(ren) qualifies as an eligible dependent for FSA purposes until the end of the year in which the child(ren) turns age 26. Coverage applies whether or not the child(ren) is married or a student.

Is an FSA right for me?

If you spend \$100 or more on eligible medical expenses or \$250 on eligible dependent care expenses during your plan year, you may save money by paying for them with an FSA. The amount is deducted in small, equal amounts from your paychecks during the plan year.

- ▶ You decide the amount to deposit.
- ▶ You are reimbursed for eligible expenses before income and FICA (Social Security and Medicare) taxes are deducted.
- ▶ You save income and FICA taxes each time you receive wages.
- ▶ Determine your potential savings with a Tax Savings Analysis by visiting the "Tax Calculators" link at www.myFBMC.com.

What is a Dependent Care FSA?

The Dependent Care FSA is a great way to pay for eligible dependent care expenses such as after school care, baby-sitting fees, daycare services, nursery and preschool. Eligible dependents include your qualifying child (age 12 or under), spouse and/or relative. These funds are set aside from your salary before income and FICA taxes are deducted, allowing you to pay your eligible expenses tax-free. You may contribute up to \$5,000 (single and head of the household or married and filing jointly) or \$2,500 (married and filing separately) to a Dependent Care FSA each year.

Who can enroll?

FSAs are available to eligible State employees through *Tax\$ave*, a benefit program under Section 125 of the Federal Internal Revenue Code.

How to enroll?

Online at www.myFBMC.com.

Over the phone with the Interactive Voice Response** (IVR) system by calling 1-866-440-7150.

Or **by fax**, complete an Enrollment form and fax it to: 1-866-672-4780

Or by mail, simply complete an Enrollment Form and submit it to:

Fringe Benefits Management Company,
a Division of WageWorks
Enrollment Processing
P.O. Box 1878
Tallahassee, FL 32302-1878

Just a Few of the Expenses^{††} Your FSA Can Help Pay for:

Health Care FSA

- ▶ **Vision care** including eyeglasses, contact lenses and saline solution
- ▶ **Co-payments** and deductibles
- ▶ **Dental care**, both preventative and restorative
- ▶ **Orthodontia**, child and adult
- ▶ **Eye surgery**, including laser vision correction
- ▶ **Physical therapy**, counseling and psychology
- ▶ **Chiropractic care, acupuncture** and some other alternative treatments
- ▶ **Prescriptions** and prescribed Over-the-Counter (OTC) medicines

Dependent Care FSA

Eligible expenses are for dependent care while you are at work.

- ▶ **Before and after-school programs**
- ▶ **Day care and nursery school**
- ▶ **Day camp**
- ▶ **Pre-school**
- ▶ **Elder care**
- ▶ **Day care for disabled adult or child**
- ▶ **Transportation** (provided by the care provider)

^{††} Cosmetic expenses are generally not eligible for reimbursement. Additionally, some items may require you to submit a Letter of Medical Need or prescription to be eligible for reimbursement.

For the complete list of eligible expenses please visit our website at www.myFBMC.com

Questions?

For more information about FSAs, how to enroll or to request a Reference Guide, contact the Customer Care Center at 1-800-342-8017 or visit our website at www.myFBMC.com.

* Eligible Over-the-Counter (OTC) drugs and medicines require a prescription from your physician to qualify for reimbursement.

** To access the IVR system, the last four digits of your Social Security number (SSN) will be your first PIN. After your initial login, you will be asked to change this PIN for access in the future. Your new PIN cannot be the last four digits of your SSN, cannot be longer than eight digits and must be greater than zero.

† Your Adult Child may be covered under your plan through December 31 of the year they turn age 26.

How Much Will You Save? Determine your potential savings with a personalized tax analysis at www.myFBMC.com, by clicking on the "Tax Calculator" link.



myFBMC Card® Visa® Card



What is the myFBMC Card®?

The myFBMC Card® is a convenient reimbursement option that allows quick electronic reimbursement of eligible medical expenses under your employer's plan and IRS guidelines. Because it is a payment card, when you use the myFBMC Card® to pay for eligible expenses, funds are electronically deducted from your account.

What are the myFBMC Card® advantages?

You can use the myFBMC Card® for certain eligible Over-the-Counter* (OTC) expenses at drugstores. Other advantages include:

- ▶ **instant reimbursements** for health care expenses, including prescriptions, copayments and mail-order prescription services.
- ▶ **instant approval of NJ State Health Benefits Program (SHBP) known copayments for medical and prescription drug coverage.**
- ▶ **convenient, cash-less card payment** for authorized copayments and purchases

Note: You **cannot** use the myFBMC Card® for OTC drugs and medicines (without a prescription), cosmetic dental expenses or eyeglass warranties.

Using the myFBMC Card®

For eligible expenses, simply swipe the myFBMC Card® like you would with any other credit card. Whether at your health care provider or drugstore, the amount of your eligible expenses will be automatically deducted from your Medical Expense FSA. Prescription and certain OTC* purchases with the card are only accepted at IIAS Stores and Registered Merchants (i.e. stores that are registered as selling mostly eligible FSA items). For all other qualified expenses, such as SHBP medical copayments, the myFBMC Card® will function normally. To find out if a pharmacy or drugstore near you accepts the card, please refer to the **IIAS Store List** and the **Merchants Registered under the IRS 90% Rules List** at www.myFBMC.com.

Two cards will be sent to you in the mail; one for you and one for your spouse or eligible dependent. You should keep your cards to use each plan year until their expiration date. If you already have the myFBMC Card®, you will need to re-enroll between October 1, 2011 and October 31, 2011 to continue using the card. You will not be issued a new card; continue using the same card(s) you have.

Remember, you can go to www.myFBMC.com to see your account information and check for any outstanding Card transactions.

* Eligible Over-the-Counter (OTC) drugs and medicines require a prescription from your physician to qualify for reimbursement.

How can I activate the myFBMC Card®?

To activate your myFBMC Card® anytime visit www.myFBMC.com. You may also call 1-888-514-6845.

Important documentation with the myFBMC Card®

You must keep documentation, including receipts, for the myFBMC Card® transactions, such as those that are not a known office visit or prescription co-payment. When requested you must send in this documentation.

Note: This documentation must be sent with a Claim Form and cannot be processed without it. Like all other FSA documentation, you must keep your myFBMC Card® expense documentation (including receipts) for a minimum of one year, and submit it to Fringe Benefits Management Company, a Division of WageWorks when requested.

Go Green for Instant Information!

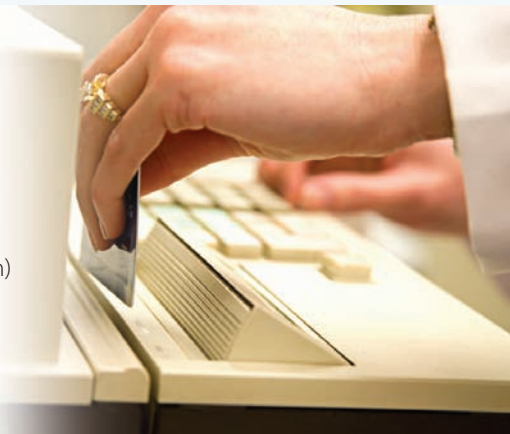
Stop wondering about your claims - know when they're received, paid or need more documentation instantly! Stop waiting for paper statements to arrive in the mail, they are available online anytime! Go Green at www.myFBMC.com, to stop wondering, stop waiting and start benefiting today.

Types of services that would **not** require documentation:

- ▶ Copayments under SHBP Medical Plan or Prescription Drug plan
- ▶ Multiple copayments (up to 5 known copayments SHBP Medical Plan or Prescription Drug plan)
- ▶ Prescription & certain OTC* items purchased at IIAS certified merchants

Types of services that **would** require documentation:

- ▶ Copayments under a spouse's Medical Plan or Prescription Drug plan (not SHBP)
- ▶ Multiple copayments (6 or more known copayments SHBP Medical Plan or Prescription Drug plan)
- ▶ Dental expenses
- ▶ Prescription & certain OTC* items purchased at 90% merchants
- ▶ Durable medical equipment
- ▶ Eyeglasses or contacts lenses



State of New Jersey Department of the Treasury
Division of Pensions and Benefits

